Remarks

Claims 1-25 and 38-46 are pending.

Claim 26 has been cancelled.

Claims 1-25 and 38-46 are rejected by the Examiner.

Claim Amendments

Claims 1, 2, 14, 24-25, and 43-44 have been amended. Support for the amendments may be found in the application as filed, for example, on pages 19-23. No new matter has been added.

Official Notice

In the response to the Office Action dated March 3, 2006, the Applicant requested the Examiner to produce authority for the statements of Official Notice to conform with requirements established under the MPEP and in common law. In particular, the request was made regarding the Official Notice used in the rejections of claims 18-21.

The Examiner did not produce any authority for the statements of Official Notice.

In addition, the Applicant traverses the Official Notice regarding claim 40. Although it may be well known that an insurance company may impose an upper limit on its liability for losses incurred, it is not obvious to one skilled in the art that coverage for loss of data changes may be limited if a data change rate increases above a predefined threshold. The Applicant demands that the Examiner produce authority for this Official Notice.

Furthermore, the Applicant traverses the Official Notice regarding claim 42. The Applicant asserts that it was not obvious at the time of the invention that an inspection of a local data volume, a remote data volume, and a communications link would be used to calculate an insurance premium. For example, the Examiner noted that the references used to reject claim 38, the parent claim of claim 42, did not teach or suggest this feature of claim 42. The Applicant demands that the Examiner produce authority for this Official Notice.

Improper Final Office Action

As new art was cited in rejection of unamended claims, the "finality" of the present Office Action was improperly applied and should therefore be withdrawn.

The Applicant requests that the finality of the present Office Action dated August 10, 2006 be withdrawn. The Examiner is reminded that MPEP 706.07(a) states that "a second or any subsequent actions on the merits shall be final, except where the examiner introduces a new ground of rejection that is neither necessitated by applicant's amendment of the claims nor based on information submitted in an information disclosure statement filed during the period set forth in 37 CFR 1.97(c) with the fee set forth in 37 CFR 1.17(p)." Thus, an office action should NOT be made final if it includes a rejection on NEWLY CITED PRIOR ART of any claim NOT AMENDED "in spite of the fact that other claims may have been amended to require newly cited art."

In the Office Action dated March 3, 2006, claims 14-23 were rejected as being unpatentable over Crawford (U.S. Patent No. 5,771,354) in view of Segal (U.S. Patent No. 6,615,181). In the present office action, claims 14-23 were rejected as being unpatentable over Crawford in view of "Data Security Harmed by Blissful Ignorance" published in *Insurance Accountant* on April 12, 1999 (Page 1, Volume 1, Number 11). Claims 14-23 were not amended.

In addition, in the Office Action dated March 3, 2006, claims 24-26 were rejected under 35 USC 102(b) as being anticipated by Crawford. In the present office action, claims 24-26 were rejected under 35 USC 103(a) as being unpatentable over Crawford in view of "Data Security Harmed by Blissful Ignorance". Claims 24-26 were not amended.

Since claims 14-26 were original as filed and not amended until the present response, and since the Examiner has issued new grounds of rejection for those claims, a final office action is not proper. The Applicant requests that the Examiner withdraw the finality of the present Office Action.

Claim Rejections

Claims 1-26 are rejected under 35 USC 103(a) as being unpatentable over Crawford in view of "Data Security Harmed by Blissful Ignorance" (hereinafter referred to as Insurance Accountant) published in *Insurance Accountant* on April 12, 1999 (Page 1, Volume 1, Number 11). Claims 38-46 are rejected under 35 USC 103(a) as being unpatentable over Crawford in view of Schuler (US Patent No. 5,855,005).

The Applicants traverse these rejections on the grounds that the following limitations, *inter alia*, are clearly not found within the prior art of record and that the claims should thus be in allowable form:

- Claim 1 (and dependent claims 2-7) includes periodically reporting performance of the technical protection service to an insurer providing the data / presence insurance. Claim 2 further clarifies that the reporting is done during the performance of the insurance contract. The combination of Crawford and Insurance Accountant only describes an assessment before issuing insurance. In addition, the combination suggests that it is undesirable to repeat the assessment during the term of the insurance contract since the cost of the assessment is on the order of one year's premium.

- Independent claims 8 and 14 and dependent claims 9-13 and 15-23 include similar elements.

Claim Rejections under 35 USC 103(a)

(A) Claims 1-23

Claim 1 as amended includes periodically reporting performance of the technical protection service to an insurer providing the data / presence insurance. As described in ¶8 of Insurance Accountant, it costs more than a year's premium to see what a prospective customer must do to become insurable. Such a year's premium "could easily run into six figures." Because of the high cost of such an assessment, the assessment of Insurance Accountant would not be performed more than once. Thus, it is not performed periodically. Nowhere else in Crawford or Insurance Accountant is there a suggestion of periodically reporting performance of the technical protection service to an insurer.

Similarly, claim 8 includes informing an insurer of capabilities of the technical protection service prior to issuance of the data / presence insurance policy; and reporting on a status of the technical protection service to the insurer after issuance of the data / presence insurance policy. As a result information on the capabilities or status of the technical protection service are provided to the insurer both before and after issuance of the insurance policy. As described above, providing of such information both before and after issuance of an insurance policy is not suggested by the combination of Crawford and Insurance Accountant.

As a result, the combination of Crawford and Insurance Accountant does not teach or suggest each and every element of claim 1 and dependent claims 2-7, and 9-13.

Claim 2 as amended includes reporting to the insurer on the status of the technical protection service during performance of the contract for the data / presence insurance. As described above, Insurance Accountant describes an assessment that occurs before a customer is insurable. In addition, it is cost probative to perform the assessment again since it costs on the order of one year's premium. As a result, such an assessment would not be made during the performance of the insurance contract. The combination of Crawford and Insurance Accountant does not teach or suggest each and every element of claim 2.

Claim 14 includes both calculating a premium for the data / presence insurance coverage, the premium calculation depending on an expected result of the technical protection service; and adjusting the premium for the data / presence insurance coverage in response to an actual result of the technical protection service after contracting for the data / presence insurance. Thus, an expected result of the technical protection service and an actual result of the technical protection service after obtaining the insurance are used in calculating the premium. As described above, the combination of Crawford and Insurance Accountant only suggests an assessment before becoming insured and there is a financial incentive to not perform the assessment again. As a result, the combination of Crawford and Insurance Accountant does not teach or suggest each and every element of claim 14 and dependent claims 14-23.

Regarding claims 18-21, the Examiner is reminded that a judgment on obviousness is proper so long as it takes into account only knowledge which was within the level of ordinary skill in the art at the time the claimed invention was made and does not include knowledge gleaned only from the applicant's disclosure. See MPEP 2145 X. A. Such reliance is impermissible hindsight. Although the elements of claim 18-21 may appear in hindsight to be obvious, the Applicant believes that they are not and requests that the Examiner provide a reference describing such factors.

(B) Claims 38-46

Claim 38 includes determining an exposure period, the exposure period based on a time period between a time a data change occurs on the local data volume and a time the data change

occurs on the remote data volume; and calculating an insurance premium using the exposure period. The Examiner noted that Crawford does not teach these elements.

In the rejection of claim 38, the Examiner cites Schuler col. 1, ll. 27-32. This section describes the desirability of an audit and the use of an audit to adjust an insured's premium. An audit it not a time period between data changes on a local and a remote data volume, nor is a time period between audits.

In addition, the Examiner cited Schuler col. 4, ll. 43-47. This section further defines an audit as gathering financial information. Only the financial information in Schuler is described as contributing to an exposure value. See Schuler, col. 9, ll. 22-65. Financial information is not a time period between data changes on a local and a remote data volume.

Thus, the addition of Schuler to Crawford does not cure the deficiencies of Crawford. There is no suggestion in the combination to use a time period as described in claim 38 to calculate an insurance premium. As a result the combination of Crawford and Schuler does not teach or suggest each and every element of claim 38 and dependent claims 39-46.

Claim 39 includes monitoring a data change rate between the local data volume and the remote data volume, the data change rate indicating a rate at which data changes are transmitted to the remote data volume; and adjusting the insurance premium in response to the data change rate. To show the monitoring of the data change rate, the Examiner cited the section of Schuler on audits, described above. Although the insured's premium is adjusted based on the audit, an audit is not a data change rate. Furthermore, there is no suggestion to substitute a data change rate for an audit. As a result, the combination of Crawford and Schuler does not teach or suggest each and every element of claim 39.

Claim 40 includes limiting coverage for loss of data changes from the local data volume if the data change rate increases above a predefined threshold. The Examiner noted that the combination of Crawford and Schuler did not teach this element. As described above, although it may be well known that an insurance company may impose an upper limit on its liability for losses incurred, it is not obvious to one skilled in the art that coverage for loss of data changes may be limited if a data change rate increases above a predefined threshold.

The Examiner cited the motivation of preventing an insurer from becoming insolvent by paying unlimited amounts on claims. While this may be a motivation to have some kind of limit on liability, it is not a motivation to have a limit on liability based on a data change rate crossing

a threshold. Accordingly, the combination of Crawford and Schuler does not teach or suggest each and every element of claim 40.

Claim 43 includes adjusting the insurance premium in response to the availability of the remote volume during a coverage period of the insurance. Claim 44 includes adjusting the insurance premium in response to the geographic dispersion of available remote data volumes during a coverage period of the insurance. As described above, in the combination of Crawford and Schuler, only the use of financial information entered during an audit is described as being used to adjust an insurance premium. No aspect of remote data mirrors is suggested for calculation of insurance premiums.

The Examiner appears to be including Insurance Accountant implicitly in the rejection of claims 43 and 44. However, the addition of Insurance Accountant does not cure the deficiencies of the combination of Crawford and Schuler. In both claim 43 and 44, the availability of a remote data volume during a coverage period of the insurance is used to calculate the insurance premium. As described above, the assessment of Insurance Accountant is only performed before the insurance is issued. Thus, even if Insurance Accountant is added to the combination of Crawford and Schuler, the combination still does not teach or suggest each and every element of claims 43 and 44.
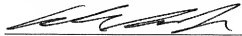
Conclusion

For the foregoing reasons, allowance of claims 1-25, and 38-46 is requested. The Examiner is encouraged to telephone the undersigned at (503) 222-3613 if it appears that an interview would be helpful in advancing the case.

Customer No. 20575   Respectfully submitted,

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CLAIMS AS AMENDED					
For:	Number After Amendment	Previous Number	Extra	Rate	Additional Fee
Total Claims	34	35*		x $50 =	$ -0-
Independent Claims	5	5**		x $200 =	$ -0-
TOTAL ADDITIONAL FEE FOR THIS AMENDMENT					$ -0-

*greater of twenty (20) or number for which fee has been paid
**greater of three (3) or number for which fee has been paid

☒ Any deficiency or overpayment should be charged or credited to deposit account number 13-1703.